OSA - 4303 -65

11 October 1965

1132/1/2 Drobit

Subject: Budgetary Pricing of Additional EMR Systems

Dear Temp:

Pursuant to past discussions with SPO personnel this Contractor is pleased to advise of the following budgetary quotations for potential additional EMR Systems, said quotation offered in the interest of providing fiscal planning information for the SR-71 Weapon System.

Specifically this Contractor has attempted to cover logical procurement quantities, and as such alternates of 3, 6, 12, and 24 EMR's were selected. The following budgetary quotation(s) are submitted for each of the aforementioned alternates:

3 systems @ \$2,400,000 ea. to a total of \$7,200,000. 6 systems @ \$1,900,000 ea. to a total of \$11,400,000. 12 systems @ \$1,700,000 ea. to a total of \$20,400,000. 24 systems @ \$1,550,000 ea. to a total of \$37,200,000.

It is to be noted that the above budgetary quotation(s) are premised upon January 1966 implementation. Correspondingly equipment deliveries would be accomplished as follows:

3 systems - 3/67 start and 7/67 completion 6 systems - 3/67 start and 11/67 completion 12 systems - 3/67 start and 5/68 completion 24 systems - 3/67 start and 4/69 completion

## Please note the following:

- 1. The quotation submitted hereunder encompasses only EMR systems whose configuration would be identical to that of the final EMR system (D8) as delivered under Contract AF33(657)-12846 (FH-7321).
- 2. It is this Contractor's judgement that the present procurement of 3 OPS AGE units would support up to 12 additional EMR's, depending somewhat on the number of operational sites and how they are distributed. Accordingly OPS AGE considerations (costs) have been omitted from this proposal.
- 3. Ancillary contractor items (i.e. handbooks, training, field test and/or support, spare parts or the pro-

visioning effort attendant thereto, etc.) have been excluded from this proposal. It is submitted that any of the aforementioned items or others which might be deemed necessary would be proposed upon at such time as firm requirements might be established.

As a final item this Contractor invites attention to the three (3) system quotation as it relates to the cost for 6, 12 and 24 systems, recognizing that the three (3) system alternate might be judged excessive by comparison. Please be advised cost must be related to the approaches being taken; specifically, under the three (3) system alternate equipments would be brought through fabrication and checkout with a predominant reliance upon engineering personnel—this is identical to the method by which equipment(s) under the present program (AF33(657)-12846) are being produced. Conversely quantities of six or more systems would have a considerably lower engineering input and a greater dependence upon manufacturing personnel which accounts for the noticeable drop in cost.

In summary this Contractor trusts the contents hereof to be suitable in all respects for its intended purpose. Please contact J. G. Stephenson or the undersigned in the event additional information is required.

		Regards,	
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		W. H. Dobbins	
cc:			STAT
	THIS COPY FOR		